R E M A R K S

Claims 1 – 5, 7 – 10, 12 – 14, and 16 – 19 are in the application. Claims 6, 11, and 20 are canceled; claims 1, 16, and 19 are currently submitted for amendment; claims 2 – 5, 7 – 10, 12 – 14, 17, and 18 remain unchanged from the original versions thereof. Claims 1, 16, and 19 are the independent claims herein.

No new matter has been added to the application as a result of the amendments submitted herewith.

Reconsideration and further examination are respectfully requested.

Claim Rejections – 35 USC § 103

Claims 1 – 5, 7 – 14, and 16 – 19 were rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,823,319 to Lynch et al., in view of U.S. Publication No. 2002/0082903 A1 to Yasuzawa and in further view of Official Notice. This rejection is respectfully traversed.

Applicant respectfully notes that claims 1, 16, and 19 are currently amended. In particular, claim 1 is amended to state, in relevant part, a method of generating return targets for potential real estate deals, including determining a collateral type associated with a potential real estate deal; receiving supplemental deal information associated with the potential real estate deal; automatically generating a base return target for the potential real estate deal based on the collateral type and the supplemental deal information, the return target being at least one of: (i) a return on investment value, (ii) a net income value, (iii) an internal rate of return value, and (iv) a loan spread value; identifying a risk mitigant associated with the potential real estate deal, the risk mitigant being based on the collateral information; identifying a risk adder associated with the potential real estate deal, the risk adder being based on the collateral information; and determining a return target by adjusting the generated base return target in accordance

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with the identified risk mitigant and risk adder. Claims 16 and 19 are worded similar to claim 1.

Of particular relevance regarding the claims are the claimed aspects of:

- automatically generating a base return target for the potential real estate deal based on the collateral type and the supplemental deal information, the return target being at least one of: (i) a return on investment value, (ii) a net income value, (iii) an internal rate of return value, and (iv) a loan spread value;

- identifying a risk mitigant associated with the potential real estate deal based on the supplemental deal information;

- identifying a risk adder associated with the potential real estate deal based on the supplemental deal information; and

- determining a return target for the potential real estate deal by adjusting the generated base return target in accordance with the identified risk mitigant and risk adder.

Thus, it is clear that Applicant claims a method including generating a base return target based on certain specific criteria, identifying a risk mitigant, identifying a risk adder, determining a return target based on the identified risk mitigate and risk adder. That is, the base return target and the return target are distinct from each other and based on different criteria.

Applicant respectfully submits that it is not seen where the cited and relied upon Lynch discloses or suggests both the claimed "base return target" and the "return target". For example, in reference to the previous claim 11 (canceled but with similar aspects now incorporated into claims 1, 16, and 19 by current amendments) the Office Action cites and relies upon Lynch's disclosure regarding repairing or compensating one or more options of product offerings in order to accommodate the user's preferences of an option. That is, Lynch's options may be modified to compensate for preferences of the user.

In contrast to Lynch, Applicant's claims relate to a generated base return target that is adjusted according to a risk mitigant and risk adder based on the supplemental deal information to determine a return target, not a user preference. Stated another way, Lynch disclose and relates to fitting an option (i.e., a product offering) to a set of user preferences for a deal. In contrast, Applicant claims a method for generating a return target for a potential real estate deal considering various data such as collateral type, supplemental deal information, risk mitigants, and risk adders. The claimed risk mitigant and risk adder are not the same as the lynch disclosed user preferences.

Furthermore, Applicant's claims are based on a "collateral type". As stated in the Specification, the collateral type is a reference to type of collateral backing the real estate deal such as, for example, commercial, residential, etc. In contrast to this specifically claimed aspect, the Office Action merely cites and relies upon "collateral offered by the customer" (See FOA, page 7). Applicant respectfully submits that the disclosure of collateral offered by the customer appears to refer to an amount or value of collateral (i.e., dollar value) as opposed to the claimed collateral type. As made clear by Applicant's disclosure, the collateral type is important to the claimed invention, not merely a collateral amount since the collateral amount may convey more than a mere valuation of property in dollar terms.

Therefore, Applicant respectfully submits that Lynch fails to disclose or suggest claims 1, 16, and 19, configured as claimed by Applicant. Applicant therefore requests the reconsideration and withdrawal of the rejection under 35 USC 103(a).

C O N C L U S I O N

Accordingly, Applicants respectfully request allowance of the pending claims. If any issues remain, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is kindly invited to contact the undersigned via telephone at (203) 972-5985.

Respectfully submitted,

 October 31, 2007   /Randolph P. Calhoune/
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